

Timing is Everything

Some helpful retirement tips for employees from the IRS

National Save for Retirement Week

October 18 - 24, 2009, is designated as “[National Save for Retirement Week](#).” This annual event is the first national effort established by Congress to raise public awareness about the importance of saving for retirement.

Did You Know...

Retirement can last for 30 years or more?

Almost 1 in 3 retirees say that they have no savings of any kind?

The average amount paid monthly by the Social Security Administration in the form of benefit is \$1,153?



Why Participate in a Retirement Plan?

Saving through an employer retirement plan is one of the easiest ways for employees to save. Recent tax law changes have increased the contribution amounts for 401(k) plans and IRAs. Participants age 50 or older can contribute additional amounts to help catch-up on their savings as they near retirement. Other employee benefits include: tax on most employee contributions is deferred until distributed, investment gains in the plan are not taxed until distributed, retirement assets can be carried from one employer to another, contributions can be made easily through payroll deductions, [Saver's Credit](#) is available, and, most importantly, greater financial security upon retirement!

Future Retirement Savings Value

| Monthly Savings, 6% | 5 Years | 15 Years | 20 Years |
|---------------------|----------|-----------|-----------|
| \$50 | \$3,489 | \$14,541 | \$23,102 |
| \$200 | \$13,954 | \$58,164 | \$92,408 |
| \$500 | \$34,885 | \$145,409 | \$231,020 |

How We Can Help

The IRS is committed to educating employees about retirement savings by providing information and resources designed to explain federal retirement plan law. Visit our Web site www.irs.gov/ep, for publications and other resources, or call (877) 829-5500 for telephone assistance.